

Objection Deadline: March 14, 2018

Reply Deadline: March 21, 2018

Hearing Date: April 10, 2018

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO**

In re:

The Financial Oversight and Management Board for
Puerto Rico,

as representative of

The Commonwealth of Puerto Rico, *et al.*

Debtors.¹

PROMESA

Title III

No. 17 BK 3283-LTS

(Jointly Administered)

The Official Committee of Unsecured Creditors
of the Commonwealth of Puerto Rico,

as agent of

The Financial Oversight and Management Board
For Puerto Rico

as representative of

The Commonwealth of Puerto Rico,

Plaintiff,

-v-

Bettina Whyte,

as agent of

The Financial Oversight and Management Board
For Puerto Rico

Adv. Proc. No. 17-257 (LTS)

¹ The Debtors in these title III cases, along with each Debtor's respective title III case number listed as a bankruptcy case number due to software limitations and the last four (4) digits of each Debtor's federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17-BK-3283 (LTS)) (Last Four Digits of Federal Tax ID: 3481), (ii) Employees Retirement System of the Government of the Commonwealth of Puerto Rico ("ERS") (Bankruptcy Case No. 17-BK-3566(LTS)) (Last Four Digits of Federal Tax ID: 9686), (iii) Puerto Rico Highways and Transportation Authority ("HTA") (Bankruptcy Case No. 17-BK-3567 (LTS)) (Last Four Digits of Federal Tax ID: 3808), (iv) Puerto Rico Sales Tax Financing Corporation ("COFINA") (Bankruptcy Case No. 17-BK-3284 (LTS)) (Last Four Digits of Federal Tax ID: 8474); and (v) Puerto Rico Electric Power Authority ("PREPA") (Bankruptcy Case No. 17-BK-4780) (Last Four Digits of Federal Tax ID: 3747).

as representative of
The Puerto Rico Sales Tax Financing
Corporation,
Defendant.

**MUTUAL FUND GROUP’S AND PUERTO RICO
FUNDS’ MOTION FOR SUMMARY JUDGMENT**

Permitted intervenors, certain mutual funds managed by OppenheimerFunds, Inc. and the First Puerto Rico Family of Funds (the “**Mutual Fund Group**”), and certain Puerto Rico-based mutual funds (the “**Puerto Rico Funds**”²), as holders of senior and subordinated bonds (the “**COFINA Bonds**”) issued by the Puerto Rico Sales Tax Financing Corporation (“**COFINA**”), hereby move for summary judgment in favor of the COFINA Agent, the Mutual Fund Group, and the Puerto Rico Funds on (i) the claims asserted by the Commonwealth Agent in its Second Amended Complaint [Dkt. No. 221], (ii) the claims asserted by the Ad Hoc Group of General Obligation Bondholders in its Complaint in Intervention [Dkt. No. 96], and (iii) the counterclaims asserted by the COFINA Agent, the Mutual Fund Group, and the Puerto Rico Funds [Dkt. Nos. 269, 273] (each of the foregoing categories (i) through (iii) as narrowed by the Court’s rulings on the permissible scope of this adversary proceeding).³

² The Puerto Rico Funds are the following Puerto Rico-based funds: Puerto Rico AAA Portfolio Bond Fund II, Inc.; Puerto Rico AAA Portfolio Bond Fund, Inc.; Puerto Rico AAA Portfolio Target Maturity Fund, Inc.; Puerto Rico Fixed Income Fund, Inc.; Puerto Rico Fixed Income Fund II, Inc.; Puerto Rico Fixed Income Fund III, Inc.; Puerto Rico Fixed Income Fund IV, Inc.; Puerto Rico Fixed Income Fund V, Inc.; Puerto Rico Fixed Income Fund VI, Inc.; Puerto Rico GNMA & U.S. Government Target Maturity Fund, Inc.; Puerto Rico Investors Bond Fund I; Puerto Rico Investors Tax-Free Fund, Inc.; Puerto Rico Investors Tax-Free Fund, Inc. II; Puerto Rico Investors Tax-Free Fund III, Inc.; Puerto Rico Investors Tax-Free Fund IV, Inc.; Puerto Rico Investors Tax-Free Fund V, Inc.; Puerto Rico Investors Tax-Free Fund VI, Inc.; Puerto Rico Mortgage-Backed & U.S. Government Securities Fund, Inc.; Tax-Free Puerto Rico Fund, Inc.; Tax-Free Puerto Rico Fund II, Inc.; Tax-Free Puerto Rico Target Maturity Fund, Inc.; and UBS IRA Select Growth & Income Puerto Rico Fund.

³ The in-scope counterclaims of the COFINA Agent, on the one hand, and the Mutual Fund Group and Puerto Rico Funds, on the other, are, in substance, largely the same; each seeks a declaration that the COFINA statutes are constitutional and that COFINA owns the Dedicated Sales Tax. *Compare* Dkt. No. 269 at 27-30 *with* Dkt. No. 273 at 37-39.

In support of their motion for summary judgment, the Mutual Fund Group and Puerto Rico Funds (i) adopt and incorporate by reference the arguments asserted by the COFINA Agent in the *Memorandum of Law in Support of Motion for Summary Judgment by the COFINA Agent*, submitted contemporaneously herewith, and (ii) submit the accompanying *Declaration of David E. Blabey, Jr. and Mutual Fund Group's and Puerto Rico Funds' Statement of Undisputed Material Facts in Support of Motion for Summary Judgment*. In submitting this motion for summary judgment, the Mutual Fund Group and Puerto Rico Funds do not waive, and expressly preserve, all affirmative defenses asserted in the *Mutual Fund Group and Puerto Rico Funds' Amended Answer and Counterclaims*, and further reserve the right to assert, at the appropriate time, any and all affirmative defenses and counterclaims that have been withdrawn and/or ruled out-of-scope at the current stage of this adversary proceeding.

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I hereby certify that, on this same date, I electronically filed the foregoing with the clerk of the Court using the CM/ECF system, which will notify the attorneys of record.

RESPECTFULLY SUBMITTED,

In San Juan, Puerto Rico, today February 21, 2018.

TORO COLÓN MULLET P.S.C.

/s/ Manuel Fernández-Bared

MANUEL FERNÁNDEZ-BARED

USDC-PR No. 204,204

Email: mfb@tcm.law

/s/ Linette Figueroa-Torres

LINETTE FIGUEROA-TORRES

USDC-PR No. 227,104

Email: lft@tcm.law

/s/ Jane Patricia Van Kirk

JANE PATRICIA VAN KIRK

USDC-PR No. 220,510

Email: jvankirk@tcm.law

P.O. Box 195383

San Juan, PR 00919-5383

Tel.: (787) 751-8999

Fax: (787) 763-7760

**KRAMER LEVIN NAFTALIS &
FRANKEL LLP**

s/ Philip Bentley

THOMAS MOERS MAYER*

AMY CATON*

PHILIP BENTLEY*

DAVID E. BLABEY, JR.*

1177 Avenue of the Americas

New York, New York 10036

Tel.: (212) 715-9100

Fax: (212) 715-8000

Email: tmayer@kramerlevin.com

acaton@kramerlevin.com

pbentley@kramerlevin.com

dblabey@kramerlevin.com

* (admitted *pro hac vice*)

Counsel to the Mutual Fund Group

SÁNCHEZ PIRILLO LLC

s/ Alicia I. Lavergne-Ramirez

JOSÉ C. SÁNCHEZ-CASTRO
USDC-PR 213312
jsanchez@sanpir.com

ALICIA I. LAVERGNE-
RAMÍREZ
USDC-PR 215112
alavergne@sanpir.com

MARALIZ VÁZQUEZ-MARRERO
USDC-PR 225504
mvazquez@sanpir.com

270 Muñoz Rivera Avenue, Suite 1110
San Juan, PR 00918
Tel. (787) 522-6776
Fax: (787) 522-6777

WHITE & CASE LLP

s/ Jason N. Zakia

GLENN M. KURTZ*
JOHN K. CUNNINGHAM*
1221 Avenue of the Americas
New York, NY 10036
Tel. (212) 819-8200
Fax (212) 354-8113
gkurtz@whitecase.com
jcunningham@whitecase.com

JASON N. ZAKIA*
200 S. Biscayne Blvd., Suite 4900
Miami, FL 33131
Tel. (305) 371-2700
Fax (305) 358-5744
jzakia@whitecase.com

* (admitted *pro hac vice*)

Counsel to the Puerto Rico Funds